

**United States Environmental Protection Agency
Region V
POLLUTION REPORT**



Date: Tuesday, July 17, 2007

From: Steven Faryan, OSC

To: Patricia Cooley, USCG

John Maritote, USEPA

Subject: Industrial Highway/Conservation Chemical Site
Lake County, Gary, IN

POLREP No.:	35	Site #:	Z590
Reporting Period:		D.O. #:	0010
Start Date:	9/1/1998	Response Authority:	CERCLA/OPA
Mob Date:	9/1/1998	Response Type:	Time-Critical
Completion Date:		NPL Status:	Non NPL
CERCLIS ID #:	IND040888992	Incident Category:	Removal Action
RCRIS ID #:		Contract #	68-S5-03-06
FPN#	098022	Reimbursable Account #	90

Site Description

The Industrial Highway site is located at 6500 Industrial Highway in Gary, Indiana. The site was former the Berry Oil Company which refined heavy end asphalt and other products until 1967. In 1967, the Conservation Chemical Company Inc. began a chemical reclamation, transport and storage facility on the property.

The site is a 4.1 acre, triangular shaped property situated adjacent to the Gary Chicago Airport. The EJ & E rail grade separates the airport and Conservation Chemical properties. The Conservation Chemical Company Inc., site is a Superfund removal action which was completed 2002. The removal action was completed utilizing split funding from the PRP group and using agency funds. All tanks, drums, lagoons, buried drums, rail cars and contaminated soil were removed during this action.

The Industrial Highway project is an Oil Pollution Act (OPA) site which was initiated in 1993 to prevent the release of oil from a ditch located on the Gary Chicago Airport property. An initial oil collection system was installed on Gary Airport property and operated from 1993 until 2000. At this time the system was upgraded and the ditch containing oil and contaminated soil and sediment was excavated, stabilized and was disposed of at an off-site landfill. In September of 2002, U.S. EPA began construction of a new oil collection system which was built on the former Conservation Chemical property.

Current Activities

U.S. EPA and their contractor EQM have been operating the oil collection system at the Industrial Highway site since December of 2002. The system consists of 6 -10 inch diameter recovery wells which are spaced 100 feet apart along the E & J Railroad grade. The oil and water is recovered at the wells and is pumped back to a treatment building where the oil is

separated in an oil water separator. The water is pumped back to an infiltration gallery which was constructed on site. The oil stored in an on-site 5,500 gallon tank and is shipped off site for disposal at Beaver Oil.

To date, the treatment system has treated over 15,000,000 gallons of water and has collected 20,000 gallons of oil.

An oil seep is currently being contained with oil collection boom on the Gary Chicago Airport property. U.S. EPA is maintaining oil collection boom in the drainage ditch on the Gary Chicago Airport to prevent discharge to the Grand Calumet River.

Planned Removal Actions

U.S. EPA and the U.S. Coast Guard have met with the Gary Chicago Airport Authority in the Summer of 2005 and Fall of 2006 to request that the Airport assume the Operation and Maintenance of the oil collection system and boom deployment. The Gary Chicago Airport owns the parcels of property where the source of oil has been found (former Berry Oil and Conservation Chemical property). The Gary Chicago Airport has denied U.S. EPA's requests to assume Operation and Maintenance of the oil collection system.

Next Steps

U.S. EPA will continue to run the oil collection system until the early fall of 2007. The remaining funding will be used to clean the treatment system and dispose of the collected oil. At this point the system will be shut down unless the Airport Authority assumes the cost of Operation and Maintenance.

Key Issues

Cost Recovery against the Gary Chicago Airport may be an issue. The Gary Chicago Airport Authority now owns the former Conservation Chemical property where the source of the release is located and owns the ditch where the oil is discharging to the Grand Calumet River.

Estimated Costs *

	Budgeted	Total To Date	Remaining	% Remaining
Extramural Costs				
ERRS - Delivery Order 0010	\$245,000.00	\$236,360.00	\$8,640.00	3.53%
Total Costs				
RST/START	\$32,000.00	\$22,553.61	\$9,446.39	29.52%
Intramural Costs				
USEPA - Direct (Region, HQ)	\$20,000.00	\$12,250.00	\$7,750.00	38.75%
Total Site Costs	\$297,000.00	\$271,163.61	\$25,836.39	8.70%

the time this report was written. The OSC does not necessarily receive specific figures on final payments made to any contractor(s). Other financial data which the OSC must rely upon may not be entirely up-to-date. The cost accounting provided in this report does not necessarily represent an exact monetary figure which the government may include in any claim for cost recovery.

www.epaosc.net/IndustrialHighwayConservationChemicalSite